mass contact areas, random checks in auctions and scrap disposal, random scrutiny of major contracts and ongoing works etc. to detect and curb irregularities/malpractices. While staff is educated to inculcate awareness about proper procedures, strict disciplinary action is also taken against staff involved in irregularities.

Cancellation of HDC contract for flat wagons

1487. SHRI J. CHITHARANJAN:
SHRI GAYA SINGH:

Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that some Members of Parliament have represented to Government to cancel the multi-crore contract for delivering bogies container flat-wagons given to the allegedly black listed firm HDC and divert it to three West Bengal based public sector units; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL): (a) and (b) Yes, Sir. Some representations were received from Members of Parliament and others in this regard. Container Corporation of India Ltd. (CONCOR), a PSU under Ministry of Railways has placed an order for 1320 Container Flat Wagons on M/s. Hindustan Engineering Industries (M/s. HEI) which was earlier known as Hindustan Development Corporation (HDC), Kolkata on 1.5.2001. M/s. HDC has been issued a show cause notice on 3.7.2001 by Ministry of Railways for using cheaper mild steel in place of specified corten steel which was a free supply item by Railways. The company has to reply to the notice within 30 days.

Losses of Konkan Railway

1488. MISS MABEL REBELLO: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Konkan Railway has been able to break even financially;

(b) if not, the reasons therefor;

(c) when the Railways introduce more trains on this route, since only 30 percent of passengers are able to get reservation; and

(d) whether the losses are on account of passenger trains; if so, why the Railways don't increase the fares?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL): (a) and (b) No, Sir. Even though the Corporation is able to meet its normal working expenses, it is incurring a loss on account of the financing cost on its borrowings made during the construction phase and on account of depreciation costs.

(c) Two new trains namely, Jaipur-Ernakulam and Pune-Ernakulam are proposed to be introduced shortly. The rake composition of existing trains have also been increased from 18 coaches to 21 coaches.

(d) The losses are primarily on account of the debt servicing liability of the Corporation. The passenger fare structure of Konkan Railway is the same as adopted for Indian Railways with a distance inflation of 40%.

Disappearance of water pipelines in Central Railway

1489. SHRI AMAR SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government had set up any Enquiry Committee to investigate disappearance of a large number of water pipelines at the Central Railway's Thakurli power house;

(b) if so, the details thereof;

(c) whether it has submitted any report and if so, the details thereof and the action taken thereon; and

(d) if not, by when the report is likely to be submitted?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI O. RAJAGOPAL): (a) Yes, Sir.

(b) and (c) The case was investigated by Vigilance Department of Central Railway. It has been found that the estimated quantity of 2389 Mts. of pipeline was in order and the reported shortage of 928.09 Mts. of pipeline was due to misappropriation. Various procedural irregularities in the handling of the sales contract was noticed for which disciplinary action is proposed to be taken against the officials found responsible.

(d) Does not arise.